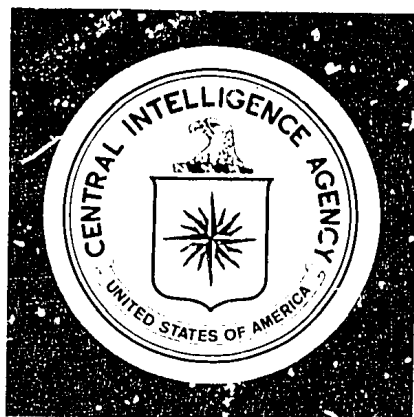


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Top Secret



Weekly Review

Top Secret

May 30, 1975

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The WEEKLY REVIEW, issued every Friday morning by the Office of Current Intelligence, reports and analyzes significant developments of the week through noon on Thursday. It frequently includes material coordinated with or prepared by the Office of Economic Research, the Office of Strategic Research, the Office of Geographic and Cartographic Research, and the Directorate of Science and Technology. Topics requiring more comprehensive treatment and therefore published separately as Special Reports are listed in the contents.

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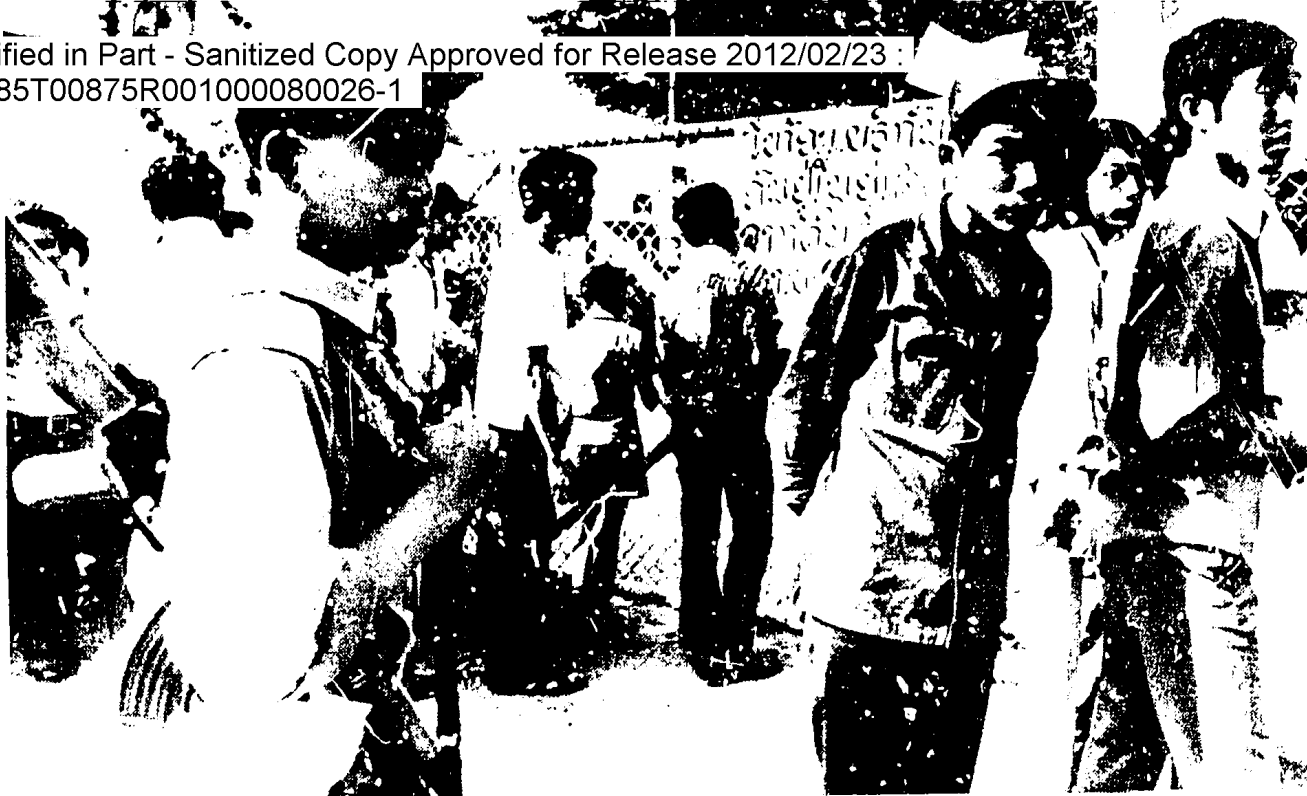
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Pathet Lao guard and students outside US compound

Laos: End of an Era

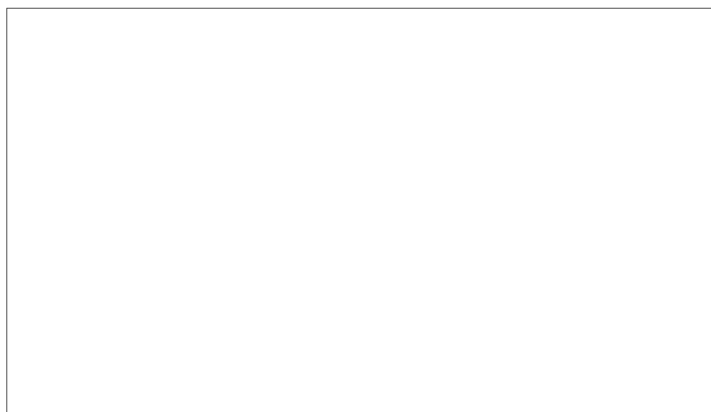
The period of massive US involvement in Laos came to an end this week following the signing of a pact with Pathet Lao officials and leftist student leaders in which the US agreed to abolish US AID and turn over most of its equipment and facilities to the Lao government no later than June 30. Over the past two weeks, the number of official American personnel in Vientiane has dropped from 1,100 to 161, and within a few more days the official US presence will consist of a skeletal embassy staff of less than 50 people. Within another month or so, it should become clear whether even this residual presence can be maintained, or whether Washington will soon lose its last diplomatic position in Indochina.

The answer to this question is, of course, largely up to the Lao communists and their North Vietnamese mentors. Economic realities and diplomatic factors suggest that the Lao communists might still attach some value to a continuing US role in Laos, but the degree to which such rational considerations are influencing the militant Pathet Lao leadership in Sam Neua is unclear. In any case, the past three weeks of carefully orchestrated anti-American

feeling make it clear that the Lao communists, who are now moving rapidly to consolidate their political control, are prepared to accept the risk of a complete break with the US.

The North Vietnamese are clearly prepared to provide their Pathet Lao clients with whatever combat and logistic support is needed in former non-communist areas of Laos. Regular North Vietnamese combat forces from the Plaine des Jarres in north Laos have already been committed to help stamp out resistance in the area of General Vang Pao's former Meo headquarters complex at Long Tieng.

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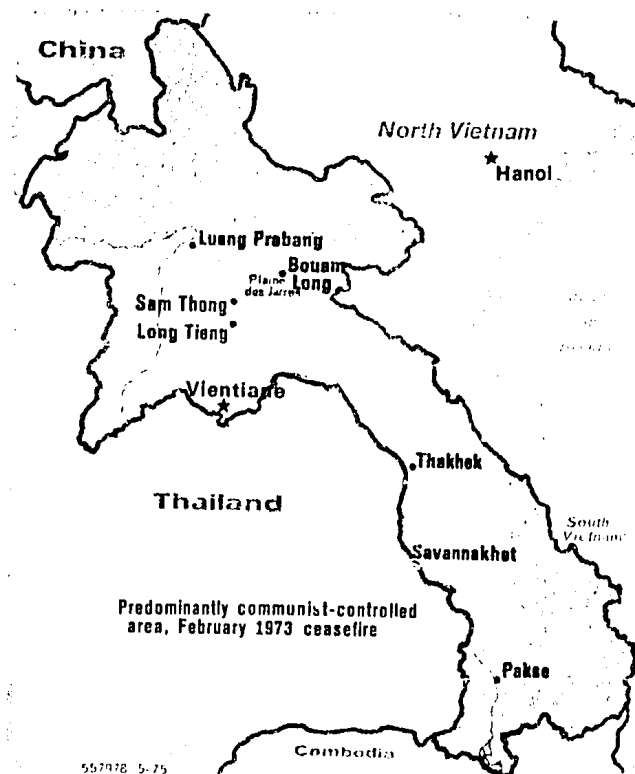
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they seem to suggest major conflict and disagreement between Pathet Lao troops and student demonstrators over administration of the cities. The Pathet Lao, in some cases, are said to have arrested a number of demonstrators. There are indications that serious rice shortages may exist in all three areas, and this may be sparking considerable discontent on the part of the general populace.

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Elements of the North Vietnamese 335th and 866th infantry regiments are participating in the operation, and Hanoi's 25th Engineer Battalion is clearing the way for armor and artillery convoys to enter Long Tieng.

Meanwhile, there are reports that serious disturbances have broken out in Pakse, Savannakhet, and Thakhek—three former rightist urban strongholds in southern and central Laos taken over by the Pathet Lao nearly two weeks ago. The reports are sketchy and confusing, but



Cambodia-Thailand: Tolerable Neighbors

More through accident than design, the new Cambodian regime's relationship with Thailand got off to a bad start. During the past several weeks, Cambodian naval units—apparently under orders to enforce the country's "territorial integrity"—seized a number of Thai vessels fishing in or near Cambodian waters in the Gulf of Thailand. A more serious situation developed at midmonth along the border in Trat Province. Local Cambodian forces there demanded that Thai authorities pull back interna-

tional boundary markers a short distance into Thailand by May 18. Bangkok refused and put its border units on full alert.

Phnom Penh quickly moved to defuse the situation by issuing an authoritative statement on May 19 denying that an "ultimatum" had ever been issued and claiming that the incident was a "trick of US imperialism." The statement also expressed the new regime's desire to "live



Thai border police and Khmer Rouge at border

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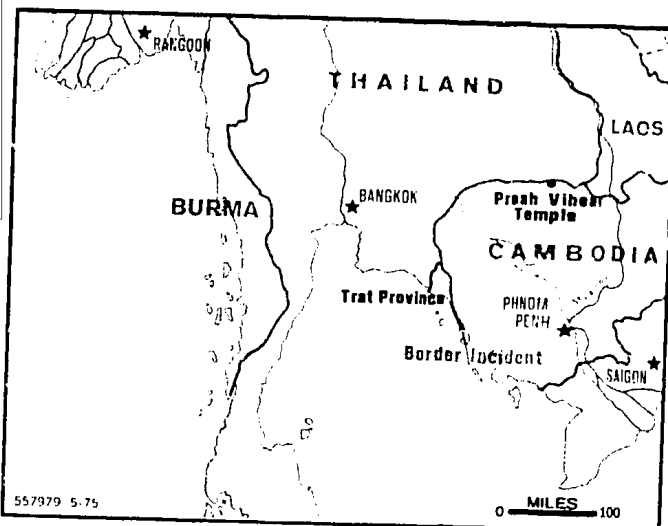
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peacefully with neighboring countries."

Phnom Penh also appeared well aware of Thai sensitivities regarding a handful of Cambodian army troops that had until last week been holding out in the Preah Vihear Temple. The temple had been the subject of a widely publicized border dispute in the early 1960s and was awarded to Cambodia by the World Court in 1962. In announcing the capture of the temple this week, the Cambodian information ministry stressed that the new leadership "has no intention of violating territorial integrity or even encroaching one inch" into Thailand.

The isolated border incidents notwithstanding, the new Cambodian leadership appears to be adopting a relatively conciliatory and cautious policy toward Thailand. This stands in marked contrast to the assertive and aggressive



attitude the Khmer have displayed in their dealings with their wartime allies in Vietnam. While some friction is likely to continue along the Thai-Cambodian border and Bangkok will probably continue to view its new neighbors with nervousness for some time, the Thai may eventually come to regard Cambodia as an effective buffer against Vietnamese communists.

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Lebanon: New Prime Minister

President Franjiah made a significant concession to his leftist and Muslim critics this week by designating Rashid Karami, a powerful Sunni Muslim leader and long-time foe, to form a new government. As a condition for serving as prime minister, Karami almost certainly demanded and was granted much greater authority to choose his own cabinet and to make government policy than his weak predecessors were allowed.

Karami, who served as prime minister several times between 1955 and 1970, has long charged that Muslims are underrepresented in Lebanon's government and should be granted increased political power. Last March, he called for fundamental changes in the country's

archaic electoral laws and in the 32-year-old National Covenant, which provides for the distribution of political posts on the basis of what is now only the fiction of a Christian majority in the country's population.

Karami probably has no firm plan for dealing with the present crisis, which has involved ten days of armed clashes between the militia of the right-wing Phalanges Party and radical fedayeen. At a minimum, however, he is likely to move quickly to convene a Lebanese-Palestinian summit to hammer out still another agreement on the rights and responsibilities of the Palestinians in Lebanon. Existing agreements—notably those of 1969 and 1973—have been

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widely disregarded, always with the effect of expanding the scope of fedayeen activities.

Syria and the Palestinians will welcome Karami's appointment; Syrian Foreign Minister Khaddam reportedly played a major role in his selection. Karami is an Arab nationalist who in 1969 gave up an effort to form a government to protest an attempt by then president Hilou to use force to control the fedayeen. He later became prime minister after the Lebanese and fedayeen negotiated their Cairo Accord in November 1969.

The Phalangists have long opposed Karami, but appear willing to tolerate his government pending evidence of its ability to restore order. Phalangist leader Jumayyil said on May 28 that his party "seeks stability, and supports a strong prime minister to ensure this." The Phalangists are now in an especially weak position to object to Karami's appointment; their preferred solution—a military cabinet—met with overwhelming opposition.

Experiment with the Military

In a dramatic attempt to end the civil unrest in Beirut, Franjiyah on May 23 appointed a predominantly military cabinet headed by a retired security official, Brigadier General Nur ad-Din Rifai. Announcement of Rifai's appointment drew intense criticism from all Muslim, leftist, and even some Christian leaders, as well as signs of disapproval from Syria and the Palestinians. Rifai stepped down after three days.

This was Lebanon's first experiment with a military cabinet since gaining independence in 1943. Although it proved an embarrassment to President Franjiyah, it may at least have frightened the civilian politicians into being more cooperative than usual in helping the new prime minister assemble a government less reluctant than its predecessors to deal with the deteriorating security situation.

Fighting Subsides

The announcement of Karami's appointment had the immediate effect of lowering



Karami

tension and diminishing the street fighting that has been going on in many areas of Beirut. Major fedayeen units and the Lebanese army stayed out of the clashes this month, which primarily involved exchanges of small-arms and mortar fire between the Phalangist militia and the radical fedayeen, who have been joined by far left groups armed and funded by Iraq and Libya. These troublemakers, who operate beyond the control of Lebanese or Palestinian leaders, have engaged in widespread sniping in attempts to spark more serious violence. Approximately 85 persons have been killed so far this month.

Meanwhile, a sharp clash occurred between Israeli and Lebanese military forces on May 25 when an Israeli patrol that had crossed the border in search of fedayeen was fired on by Lebanese army units. After several hours, the local UN contingent arranged a cease-fire, and the Israeli force was allowed to withdraw. Seven Lebanese and two Israelis were killed in the incident, which was the most serious clash between the two countries' forces since September 1972.

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UK: AT THE WIRE ON EC MEMBERSHIP

Most indicators point to a "yes" vote in the referendum on EC membership to be held in Britain on June 5. With such a result, the government can then turn to the country's mounting economic problems—an annual inflation rate of over 30 percent and the largest balance-of-payments deficit in the world.

The pre-referendum campaign has been long and dull. The press has given extensive coverage to the issue, and the more reputable newspapers have tried to present both sides. Government ministers have been free to express their own views: Industry Secretary Benn and Trade Secretary Shore have been the most vocal anti-EC spokesmen, while a few government officials have taken a strong stand in defense of EC membership.

Prime Minister Wilson and Foreign Secretary Callaghan have been conspicuously quiet until recently, and even now they are maintaining a very low profile in support of membership. Their pro-market position has been influential,

however, in attracting a sizable number of persons to the pro-EC fold. In the most recent Gallup poll, 60 percent of those queried were in favor of continued membership, 29 percent were opposed, and 11 percent were undecided. Another poll indicates that a majority in all parts of Britain, including Scotland and Wales, supports the EC. Surprisingly the polls indicate that majorities of Labor Party voters and trade union members favor continued membership.

The pro-EC forces appear to be the better organized. In addition to using the government funds available to both sides, they have collected considerable money and have used talent from various fields. They have brought in a highly paid US media expert and have distributed thousands of auto bumper stickers. Through opinion surveys, they have discovered that they are weak only among housewives and the 18-to-24 age bracket.

The anti-marketeers have presented an embattled image, trying desperately to

Heath, Thorpe and Jenkins speak for EC



overcome the odds. They have concentrated on blaming EC membership for the country's rising unemployment and high food prices. Their campaign next week is expected to focus primarily on food prices in an effort to secure the housewives' vote. The anti-EC forces have also tried to generate publicity for their cause by alleging that, in a recent interview, French President Giscard repudiated Britain's renegotiated membership terms. They have also raised questions about CIA involvement with European groups committed to closer political and economic integration.

The most important remaining problem for the pro-EC forces is to achieve a sufficiently high turnout of voters to settle once and for all the question of London's commitment to Europe. The pro-market forces are better organized to get out their supporters, but recent polls indicate that only 60 percent of the electorate plans to vote. Local Tory and Liberal Party organizations and pro-market Labor groups are fully prepared to get the vote out, while the anti-market forces can only count on scattered local Labor Party organizations and anti-EC trade unions that will be receiving little encouragement from their respective national organizations.

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CANADA: A LINK TO THE EC

Prime Minister Trudeau, in Brussels this week for the NATO summit, will also meet with EC Commission President Ortoli to review progress toward developing a "contractual link" with the EC. In a recently completed third round of exploratory talks, Canadian and EC officials reviewed an EC Commission draft agreement covering trade and economic and industrial cooperation, as well as improved consultative arrangements.

A Canadian External Affairs official told a US embassy officer that the trade aspects of the agreement would simply reiterate the most-favored-nation commitments already covered in existing GATT regulations. Their inclusion in a Canadian-EC agreement is intended as a political gesture to provide the "contractual" flavor. The

pact would carefully avoid any preferential arrangements that might violate GATT obligations.

The economic and industrial cooperation phase of the agreement would include joint ventures and exchanges of commercial and technological information. The External Affairs official said Ottawa recognized that this part of the agreement was primarily the concern of private business. The government's role would be to stimulate interest, organize trade missions, make information available, and help identify and solve any problems that might arise.

The consultative arrangements contained in the agreement would be designed to expand the already established semiannual consultations. Press reports refer to plans for establishment of a joint commission to help implement the economic, commercial, and technical accords as they are developed.

Ottawa's interest in formalizing a link to the EC is more political than economic. Trudeau sees it as a major public demonstration of his government's so-called "third option" in foreign policy, which calls for lessening traditional Canadian dependence on the US. On the economic side, nevertheless, Ottawa also hopes to increase the proportion of manufactured goods and processed raw materials included in its export trade. The EC countries, for their part, hope to negotiate accords that would ensure long-term access to Canadian raw materials.

While most EC states now favor some type of "contractual link" with Canada, a few—notably France—are reluctant to give the Commission more authority to deal with non-EC states. The Commission views an agreement with Canada as a model for future arrangements with states outside the Community and as legitimizing its authority to negotiate with them.

The Commission plans to send its proposal to the EC Council of Ministers next month, and the Council will then refer the report to the member states for detailed consideration. A final decision is expected in the fall.

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NATO: DEFENSE MINISTERS' MEETING

The unfortunate highlight of the regular spring meeting of NATO's defense ministers on May 22-23 was a highly publicized and sometimes emotional debate on whether the communique issued after the meeting should contain a reference to Spain. The meeting, nevertheless, was a generally successful one. The ministers had thorough and frank discussions of some of NATO's major problems, and they established new guidelines for defense planning that emphasize a long-range concept.

With many West European governments opposing creation of any ties between NATO and Franco's Spain, the defense ministers appar-

ently came to Brussels with the hope that there would be no mention of the Spanish issue. The Europeans were concerned that a reference to Spain could cause domestic political repercussions, threatening public support for NATO in Europe. There was also the feeling that it might be viewed in Spain and throughout Europe as a gesture of support for Franco, and that it could prove counterproductive in a post-Franco Spain.

The European ministers therefore firmly rejected the notion of formally recognizing Spain's contribution to the defense of Western Europe. After lengthy discussion, they



The opening session

reluctantly agreed to take note that Secretary Schlesinger had informed them of the state of bilateral agreements governing the use of bases in Spain by US forces.

The controversy over Spain may have had at least one fortunate side effect. The Portuguese naval chief, who attended the meeting, made some favorable remarks afterward about NATO, noting that the alliance functions democratically and is not dominated by the big powers. He also stressed during the meeting that Portugal's loyalty to NATO remains unchanged.

The subject of standardizing NATO weapons was a principal issue at the ministerial session. British Defense Minister Mason presented formally a proposal by the Eurogroup—the caucus of most of the European members of NATO—that the US and Europeans seek a better balance in military procurement programs and the standardization of equipment. Mason said that the Eurogroup members would like to use existing Eurogroup and NATO organizations to work out concrete proposals. The meeting seems to have marked a step forward in overcoming the growing proliferation of different weapons systems within the alliance, but the ministers formally committed themselves only to discuss the matter further at their session in December.

The ministers also established guidelines for NATO defense planning through 1982. This long-range plan calls on the allies to maintain and modernize all their forces, but emphasizes—in line with US desires—that conventional forces must be improved. It also makes the point that this will require modest increases in defense expenditures. In discussing this point in another context, many of the defense ministers lamented the difficulty of convincing their public and parliament of the necessity for increased defense spending during a period of detente.

CZECHOSLOVAKIA: PRESIDENT HUSAK

The Czechoslovak Federal Assembly this week elected party chief Gustav Husak to suc-



Husak

ceed President Ludvik Svoboda, who has been ailing for more than a year. Parliamentary action followed a plenum of the party Central Committee that explicitly stated Husak will continue to serve as party leader. Some reports claim, however, that he will hold the country's two top offices only until the party congress next spring.

Husak's election was formalized on May 28, after the assembly approved a constitutional amendment—proposed by the Central Committee—providing for the removal of an incapacitated head of state before his term in office expires.

The change in presidents does not portend any change either in Czechoslovak policy toward the US or in Prague's subservience to Moscow. Furthermore, Husak's decision to hold the country's top party and state posts concurrently does not break any Czechoslovak precedent. Antonin Novotny held both offices from 1957 until his ouster in early 1968, when Alexander Dubcek became party chief and Svoboda was elected president.

Svoboda's departure from the presidency will eventually entail his removal from the 11-member party presidium—a question that the Central Committee announcement this week did not address. The choice of a replacement for Svoboda on the presidium, and perhaps for Husak as party chief, are sensitive issues that may be deferred until preparations for the party congress are further advanced.

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EUROPE: COMMUNIST MANEUVERING

The road to the European Communist conference is not proving an easy one for the Soviets. At issue is the final document that will be issued by the Communist meeting, to be convened some time after the European security conference. The Soviets and their supporters want a reasonably detailed, programmatic document that will commit the Communist parties in Europe to Moscow's view of the future development of Europe and the Communist movement.

The Soviets do not stand a chance of getting the more independent parties to buy this, and Moscow knows it. But they want to get as many parties as possible to participate in the process. Their problem is how far they can push for concessions from the Yugoslavs, the Romanians, the Italians, the Spanish, and the others without forcing a break.

The successes recently scored by the independent-minded parties in the drafting process were achieved because Moscow was not ready to force a break at that juncture. The question is still open, however, as to how far Moscow will bend to get signatures on a concluding document in East Berlin next fall or winter.

The tactical interplay so far has been complex. At the second meeting of the working group responsible for drafting the final document, held in East Berlin in mid-April, a group of parties—including the Yugoslav, Romanian, Italian, and Spanish—rejected an East German preliminary draft because it did not represent the views of all parties and thereby went against the principle of consensus that had been agreed upon earlier. These parties offered to submit a preliminary draft of their own, but the East Germans proposed that a revised version be drafted based on the East German original but taking into account the written and oral comments of the other parties.

This proposal to revise the East German draft was unacceptable to the Yugoslavs, who inspired reports in late April that they would not take part in the conference. At the same time, Yugoslav party secretary Dolanc issued a tough statement that reiterated the position taken by his party in East Berlin and implied that there would be no compromise. Once it was clear that the Yugoslavs were ready to cause trouble, the East Germans issued a placatory statement, pointing out that the final document would give equal weight to the East German preliminary draft and the proposals of the other parties. The East Germans stressed that their aim was to produce a document acceptable to all and that there was no intention of directing any party how to conduct its own business.

DRAFTING A DOCUMENT TO REFLECT SOVIET VIEWS AFTER A EUROPEAN COMMUNIST CONFERENCE INVOLVES A COMPLEX TACTICAL INTERPLAY.

Some reports say a compromise was reached at a subcommittee meeting on May 12. The East Germans were said to have withdrawn their draft altogether, and a Yugoslav document was submitted, probably by the Italians. The East Germans promised to use this and other submissions to come up with a new draft for a discussion next month in which the Yugoslavs will participate.

On May 13, Tito, Dolanc, and party secretary Grlickov met in Belgrade, and Grlickov subsequently left for Moscow and talks with Soviet party secretaries Ponomarev and Katushev. Grlickov evidently tried to extract a promise that Moscow would no longer push for a conference document such as the East Germans originally had drafted. Not surprisingly, Ponomarev and Katushev would make no such promise. The Yugoslavs will have to wait for the new East German draft next month to see what impact their arguments have had.

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PORTUGAL: BYPASSING THE PARTIES

The 240-member general assembly of the Portuguese Armed Forces Movement announced on May 26 that it intends to establish closer ties between the military and the people in an effort to nullify the impact of the continuing conflict between the Communist and Socialist parties. The concurrent decision of the assembly to censure the Socialist Party for boycotting cabinet meetings has encouraged the Communists to publicize their loyalty to the military government in hopes of retaining their influence should political parties ultimately be abolished.

The assembly was reportedly divided over how to link the Armed Forces Movement with popular organizations. The details are to be worked out by a special committee and will undoubtedly be the subject of continuing debate. Radical officers, influenced by the recent visit of a Portuguese military delegation to

Cuba, favor the establishment of block committees and an armed civilian militia to be staffed by Movement cadres. According to this plan, political parties would eventually be replaced by organizations controlled by the Movement. Most moderates prefer that the organizations be popularly elected and that they exercise civil and military authority as a new form of government for Portugal.

The assembly recommended that the Revolutionary Council take firm control to end the dispute over the Communists' seizure of the Socialist Party newspaper *Republica*. The assembly also voted to criticize the Socialists for boycotting cabinet sessions and for threatening to withdraw from the four-party government coalition. By these actions, the military rulers made clear their displeasure over the Socialist tactic of using the newspaper issue to challenge



Soares and followers demonstrating

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the Movement's commitment to establishing a multiparty democracy.

The Socialists will decide whether or not to quit the government after further negotiations with the military leaders. Socialist ministers Soares and Zenha backed down, at least temporarily, from their boycott of cabinet meetings to attend a session on May 28 dealing with the situation in Angola. Cooler heads may be prevailing among the Socialists as a result of initial discussions with Movement leaders late last week and by Soares' reassuring talks with West European Socialist party leaders in France last weekend. They may also be encouraged by the decision of the press council, responsible for enforcing the new press law, which has found the Communist printers at fault in the *Re-publica* dispute. A favorable solution might give the Socialists the opportunity to back off from their challenge gracefully without overly encouraging the Communists.

The Communists have been taking advantage of the Socialists' intractability to play up the Communist Party's loyalty and obedience to the military government. The Communists called a street march on May 28 to support the Movement and to counter recent Socialist manifestations of strength. Communist statements have gone so far as to warn that if the Socialists break up the coalition government, there will be no need for the constituent assembly, which is scheduled to convene on June 2. The Movement itself, however, has made no mention of calling off the constituent assembly's opening session.

Power struggles within the Movement appear to have been put on a back burner while the officers are preoccupied with the dispute between the Communist and Socialist parties. There had been rumors that the armed forces assembly would attempt to oust moderates from leadership positions, but no such action was taken. The assembly did, however, reiterate its unanimous support for Prime Minister Goncalves, thereby bolstering his position and that of the dominant radical faction. The vote may also have been intended to strengthen Gon-

calves' hand this week at the NATO summit in Brussels. The assembly further emphasized its confidence in Goncalves this week by promoting him to the rank of full general.

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ETHIOPIA: UNREST AND DISSENSION

Fighting between government forces and rebels in Eritrea Province has increased sharply in recent weeks. The ruling military council has also been unable to stem unrest in several other provinces and remains beset by serious internal stresses. As yet, however, none of the forces opposing the council offers a clear alternative to its rule.

On May 18, government troops in Eritrea, supported by air strikes, began a brigade-sized operation against rebel forces north of Asmara. This has resulted in several sharp clashes and heavy casualties on both sides. The sweep, which is still in progress, is designed to blunt an offensive that the rebels reportedly have been planning for June or July. The rebels, who were hurt by government operations this spring, probably had hoped to regroup and resupply by then.

At a congress held recently in western Eritrea, the two main rebel factions reportedly agreed to unite. The merger is an attempt to form a common political front with which to confront the government. The two rebel factions have been coordinating their military operations, but have differed somewhat on political goals.

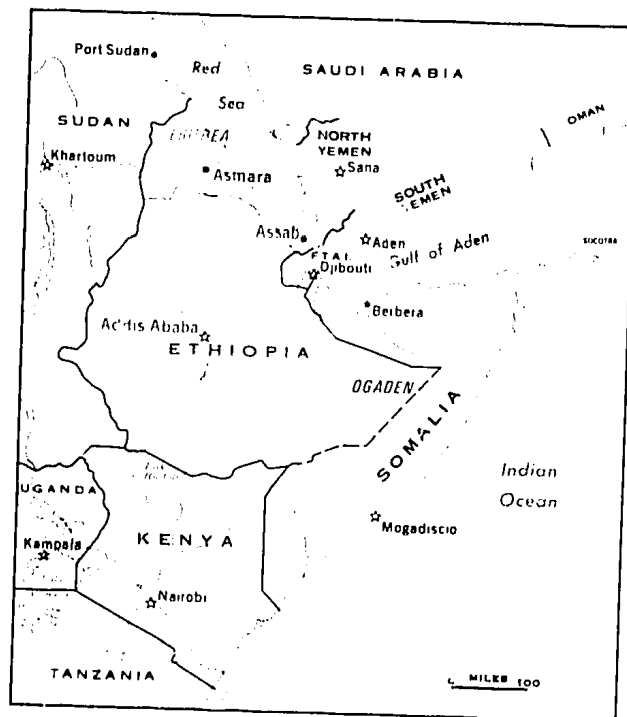
The pending change in the chairmanship of the Organization of African Unity may also influence events in Ethiopia. Somalia's President Siad will be replaced in July by General Amin of Uganda, who has expressed support for the Eritreans. Although the chances of a Somali attack appear slim at present, the end of Siad's

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tenure as chairman will increase Ethiopian fears that Mogadiscio will now feel free to use force to gain control of the Ogaden region claimed by Somalia. Many Ethiopian leaders believe that Siad's position has been the only restraint preventing Somalia from taking advantage of Ethiopia's domestic turmoil.

Serious unrest is reported in at least 9 of Ethiopia's 13 other provinces. A number of insurrections are in progress led by local landlords opposed to land reform decrees. None of these uprisings poses a direct threat to the council, but security forces have not been able to score any major successes and in some instances have suffered numerous casualties in fights with dissidents. Inter-tribal warfare and banditry are also increasing. In urban areas, student and labor problems are on the rise. The council shut down the Confederation of Ethiopian Labor Unions last week.

The council is attempting to reach an accommodation with Sultan Ali Mirah, leader of the large Afar tribe. The Afar believe the council is maneuvering to replace Ali Mirah and to impose central government control over their largely autonomous area, through which pass both the highway linking Addis Ababa with the port of Assab and the railway to the port of Djibouti in the French Territory of Afars and Issas. The Afar also strongly oppose the council's land reform program.



cautiously. An important source of friction is the radicals' continuing demand for the execution of more political prisoners from among the approximately 130 still being held. Other council members, mindful of the foreign and domestic repercussions, are resisting further executions. The council is also divided as a result of the uncovering last month of a coup plot led by two council members. Ten more people, in addition to the five already detained, have been arrested in recent weeks for alleged involvement in the plot.

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The council announced last week that former emperor Haile Selassie will have to undergo prostate gland surgery. The general health of the 83-year-old Haile Selassie reportedly is good, as are his chances of surviving this operation. There is an undercurrent of resentment among some Ethiopians about the council's treatment of Haile Selassie, who has been virtually isolated since his detention last September. A deterioration in his health would arouse more accusations about the council's callousness.

Dissension within the ruling council reflects personal and tribal rivalries as well as differences between radicals and more moderately inclined members who favor revolutionary goals but would pursue them more

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EGYPT-ISRAEL: LOOKING TO THE US

Egyptian President Sadat will apparently press for a clarification of US views on an Arab-Israeli settlement when he meets with President Ford at Salzburg this weekend. Israel's Prime Minister Rabin will be in Washington to push his country's cause on June 11-12.

The View From Cairo

Sadat has said repeatedly that he is going to Salzburg to listen rather than to offer ideas of his own. He takes the position that Egypt's stand is already on record and that the US, having undertaken a reassessment of its Middle East policy, must now enunciate an unambiguous position. Sadat is seeking an even-handed US policy and, specifically, a clear statement of whether Washington's commitment to Israel is confined to protecting it within its 1967 borders or extends also to the occupied Arab territories. The issue, Sadat believes, goes to the heart of the US attitude toward the entire Arab-Israeli dispute.

Sadat has become increasingly more demanding of the US as the Salzburg meeting has neared. In an interview with an Austrian correspondent early this week, he specifically tied, for the first time, his willingness to enter another round of disengagement talks to the demand for a definitive statement of US policy. Asked if he would consent to another effort by Secretary Kissinger to mediate an interim agreement with Israel, Sadat replied that he would, if the US first made an "unequivocal statement, openly and before the world," of its position on the shape of a final settlement.

Egyptian officials, undoubtedly including Sadat himself, were angered and disheartened by the letter sent to President Ford last week by 76 US senators urging strong support and aid for Israel. Many Egyptians, particularly legislators who recently visited the US for extensive discussions with congressmen, interpret the letter

as totally negating their efforts to present a moderate image of Egypt and generally to expand ties with the US. Egypt's People's Assembly debated the letter last weekend and issued a resolution denouncing the senators' action as "a frank invitation" to Israel to ignore "the efforts exerted by the whole world to ease tension." Foreign Minister Fahmy, in a speech following the debate, decried what he termed the senators' effort "to block the way of their President and sentence his mission to failure in advance."

And From Tel Aviv

Israeli Prime Minister Rabin, buoyed by the senators' letter, publicly declared this week that he will be entering his discussions with President Ford in a stronger bargaining position. In a speech on May 26, Rabin cited the letter as evidence of the correctness of Tel Aviv's firm stand in talks with Washington and of the failure of what Israel regards as the US administration's attempt to pin the blame on Israel for the collapse last March of Secretary Kissinger's mediation effort. Some Israeli press commentators, however, have cautioned that congressional support is not unconditional and that the government is missing the point that the majority of the signatories still expect new peace initiatives from Israel.

Rabin gave no hint of any new flexibility when he wound up this week a formal debate within the ruling Labor Alignment on the government's foreign policy. Instead, he reiterated that Israel has strengthened its position by saying "no" both to Arab dictates and "perhaps also to US influence." Rabin acknowledged that the most practical option at this time is an interim agreement with Egypt, but he said that Israel will make no further concessions unless Egypt makes significant new offers. According to the US embassy in Tel Aviv, Rabin emerged from the debate firmly in charge with no serious

challenge to his policies or to his refusal to define the terms of an overall settlement.

SOUTH AFRICA: NAMIBIA ISSUE

South African Prime Minister Vorster has made it clear that Pretoria will not comply with the resolution adopted last December by the UN Security Council setting a deadline of May 30 for Pretoria to accept UN guidelines for preparing Namibia (South-West Africa) for independence. Vorster is apparently gambling that his version of self-determination for the former League of Nations mandate will permit South Africa to maintain its economic stakes in the territory despite international pressure for withdrawal. The Security Council is to discuss the issue again late this week.

The UN resolution demands that Pretoria recognize the territorial integrity and unity of Namibia, begin an actual transfer of power to the inhabitants, and allow a UN agency to participate in the process. In a speech on May 20, Vorster flatly rejected the UN's claim that it should supervise preparations for independence. Vorster may hope that his tough stance against UN "meddling" in Namibia will overcome doubts of South African whites about continued white control of those parts of the territory with substantial mineral industries. The 90,000 whites in Namibia, who make up only 12 percent of the population, have hoped that Pretoria would eventually annex at least the areas of white settlement.

In his speech, Vorster referred to his plan, announced last September, to sponsor a conference of representatives of the territory's 12 ethnic groups, who will be allowed to decide its future form of government. South African offi-

cials say they are encouraging each group to select genuinely representative spokesmen, but some of the tribal groups are beset with factional conflicts. At this time, only two tribal homelands—similar to the Bantustans in South Africa proper—have popularly elected legislative bodies.

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Although Vorster disclaimed any intention of imposing a political blueprint on the inhabitants of Namibia, he suggested that the self-determination process may well result in a loose federation of ethnic homelands independent of Pretoria but subject to South African economic exploitation. Such a federation would be contrary to the UN goal of a unitary state controlled by the black majority. Vorster apparently hopes, however, that the smaller tribal groups will support a loose federation in order to avoid domination by the Ovambos, who compose almost half the population. Should the Ovambos pull out of a federation, the whites would then be the largest ethnic group in the remaining territory, where the mineral wealth is concentrated.

Vorster promised to arrange for the "true leaders" of the nonwhite groups to meet with officials of the UN or the Organization of African Unity. He reasserted, however, that the "true leaders" are the members of homeland governments—mostly traditional tribal chiefs who have gone along with South African tutelage. He denounced as unrepresentative the South-West African People's Organization—the only nationalist group recognized by the UN or the OAU.

The South African leader's offer to facilitate contacts between Namibia's "true leaders" and envoys from the UN or the OAU seems intended to show foreign critics that the People's Organization is not genuinely representative. Although the organization opposes the Bantustan system, its membership is predominantly Ovambo. Some leaders from other tribes have protested exclusive international support for the People's Organization.

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ASEAN: COMING OF AGE

The recent annual meeting in Kuala Lumpur of foreign ministers of the Association of Southeast Asian Nations (Malaysia, Singapore, Indonesia, Thailand, and the Philippines) reflected the confidence of the participants that the eight-year-old regional organization has "come into its own." Even so, the meeting resulted only in a series of half-measures.

The session this year was marked by spirited political debate, a marked departure from the previous concentration on noncontroversial social and economic topics. The discussions were dominated by the unsettling events in Indochina, but Thai reluctance to antagonize the new communist rulers stopped an Indonesian proposal to define and assess the threat to Southeast Asia. The ministers agreed that it would be politic to take an accommodating attitude toward the new governments. They maintained that US bases should be withdrawn in time, but accepted the desirability of a continued US naval and air power presence in the area.

Although the members are edging toward more concrete forms of political cooperation, they are still inhibited by deep-rooted suspicions. Malaysian-Philippine antagonism over the Muslim rebellion in the southern Philippines, for example, has impeded progress toward establishment of regional peacekeeping machinery. This has been a pet project of the Philippines, but other members continue to believe that the organization is not sufficiently seasoned to take on bilateral disputes. The meeting adopted a draft treaty of amity, which spells out peacekeeping procedures proposed by the Philippines, but the reservations of the other four members may delay its ratification.

Malaysia sought to capitalize on its partners' anxiety over post-Vietnam prospects by seeking approval for its long-standing proposal for the creation of a Southeast Asian neutral zone. Although the five members approved the concept in principle four years ago, some continue to feel that realization is

impractical. The Malaysians had to settle for agreement on a "blueprint" that does not presage implementation in the near future.

The members did decide to go ahead with setting up a permanent secretariat in Jakarta, which was agreed to at the meeting last year. The failure to name a secretary general, however, reflects continuing bilateral suspicions. The Philippines, which gave up its bid to have the secretariat in Manila, expected to be compensated with the first secretary generalship, but Malaysian objections brought about a compromise that the post would go to an Indonesian.

At Indonesia's urging, the meeting agreed to increased military and security cooperation. Jakarta wanted a forum for regular consideration of defense and security problems. Malaysian insistence that ASEAN avoid any impression of taking on a military cast limited agreement to "informal and flexible" cooperation. Joint patrolling of gunrunning in the South China Sea by Indonesia, Malaysia, and Singapore will probably be the first undertaking.

Thailand and Indonesia were willing to go along with Philippine desires for an ASEAN heads of state meeting, but Malaysia and Singapore have reservations that cloud prospects for an early gathering. Singapore argued that a summit would be unproductive without careful preparation and that a meeting shortly after communist successes in Indochina could be taken as provocative. Malaysia insists on prior agreement to a tight agenda, with the hope that this would curb Philippine tendencies to use high-level meetings for grandstanding.

Despite the limited accomplishments of the session, the member states' determination to project an aura of mutual goodwill, plus their greater readiness to tackle political questions, testify that the association is maturing into a going concern.

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URUGUAY: WHO IS THE BOSS?

President Bordaberry has negotiated a compromise with the army, but the underlying cause of the dispute that provoked a clash of wills last week is still unresolved.

President Bordaberry



Since the military began to exercise a major policy role in early 1973, frequent flare-ups have occurred between the President and the generals, in large part because lines of executive authority remained undefined. The military and Bordaberry realize that they need each other, but they have been unable to agree who has ultimate power. The latest bickering has been over economic policy.

For the past year and a half, European markets have banned beef imports to protect local producers, and Uruguay has been unable to find alternative markets for its major commodity. The subsequent fall in foreign-exchange earnings has seriously handicapped the nation's efforts to meet energy needs that depend heavily on the purchase of foreign petroleum. These current problems, added to prolonged economic stagnation, have made agricultural policy a subject of major controversy between those military leaders who want more government regulation and large ranchers—with whom Bordaberry sides—who oppose market restrictions on beef sales.

Last week, Bordaberry angered army chiefs by firing the head of the national beef institute without first consulting them. The ensuing compromise reportedly requires Bordaberry to get rid of his current minister of agriculture soon. In return, the military has acquiesced in the appointment of a new head of the institute as long as the former director remains on a regulatory board.

The inability of the military to speak with one voice complicates the decision-making process, since generals occupy subcabinet positions and major administrative posts. The shuffle of personalities temporarily protects the national image, but the failure to reach a consensus on fundamental economic issues—particularly the beef problem—means that the economy will continue to be the focus of national debate and possibly future crises.

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OAS: NEW SECRETARY GENERAL

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Latin American commentary following the OAS General Assembly has focused almost exclusively on the election of Argentina's Alejandro Orfila as secretary general. The government-controlled press in both Brazil and Mexico attributes Orfila's victory to US trickery, and ambassadors of several other governments have decried the election as an example of US manipulation. Orfila, like Ecuador's Galo Plaza before him, is regarded as "agringado"—Americanized—from his many years of residence and education in the states.

smaller countries; in effect, they have accused the US of welshing on that alleged pact.

If Brazil's outrage was contrived to warn against partiality, Orfila has responded with grace.

Orfila is likely to bring great energy to his OAS job and seems likely to overcome much of his identification with US interests.

Brazil, which is in diplomatic conflict with Argentina over the sensitive issue of shared natural resources, and which had widely publicized its opposition to Orfila, is particularly bitter and embarrassed at this "defeat." The Brazilians have floated the notion that there was a gentlemen's agreement among the four largest OAS members to leave the top post to the

Substantive issues before the General Assembly were for the most part deferred. A special OAS conference will be held in July in Costa Rica to revise the Rio Treaty's voting procedures in a way that will ease the lifting of sanctions against Cuba.

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Orfila(l) being congratulated

SURINAM: INDEPENDENCE NEGOTIATIONS

Arson and violence marred the round of independence negotiations last week in Paramaribo between the Netherlands and Surinam. Internally self-governing since 1950, Surinam is scheduled to attain independence in November.

The political parties representing the Hindustani and Javanese minorities planned demonstrations to coincide with the arrival of Dutch Prime Minister den Uyl. The two groups saw this as their last chance to gain Dutch support for constitutional changes they believe are needed to guarantee their rights after independence. They also hoped to press the Creole government of Minister President Arron into giving them greater participation in the independence process.

Young extremists among the Hindustanis apparently decided on more spectacular

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measures to demonstrate their grievances. On May 14, an attempt was made to burn down the parliament building. In the days that followed, other fires were set, and there were numerous incidents of rock throwing, beatings, and vandalism.

On May 19, Arron met with leaders of the opposition parties in an effort to restore order. He agreed to hold further talks on guaranteeing minority rights, while the opposition leaders called off planned demonstrations. Hotheads on both sides refused the compromise, however, and lawlessness continued, forcing the adjournment of the independence talks on May 21.

Arron and opposition leaders have appealed publicly for unity and an end to violence. The arson and lawlessness have probably shocked the various Surinamese communities

sufficiently to ensure at least a short period of peace. Nevertheless, without significant concessions by the Arron government, and some effort at trust by the Hindustanis and Javanese, internecine warfare is possible.

The Dutch and Surinamese had made considerable progress before the early adjournment of the independence negotiations. The Hague agreed to sponsor Surinam's admission to the UN and to associate membership in the European Community. In addition, terms of reference were established for Dutch negotiations with the French on the disputed Surinam - French Guiana border. Finally, the Dutch consented to station a military advisory mission in Surinam after independence. Two major issues, on which the two countries are still far apart—the amount of Dutch aid, and continued access of Surinamers to Holland—remain for renewed talks in The Hague on June 25.

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